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Poland

Cotton and Products

Update

2003

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Report Highlights:
Polish cotton imports and consumption declined again in 2002. A sluggish Polish economy (just over one percent GDP growth and 18 percent unemployment) combined with increasing low cost yarn and textile imports reduced cotton use. Nevertheless, prospects for the very small amount of U.S. cotton imports may rise slightly in 2003 due to competitiveness partially stimulated by a weakening dollar.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
Warsaw [PL1], PL

Table of Content:

Production/consumption

PSD Table						
Country	Poland					
Commodity	Cotton				(HECTARES)(MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		08/2001		08/2002		08/2003
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Beginning Stocks	4355	2789	4572	2369	4355	4007
Production	0	0	0	0	0	0
Imports	52690	54000	52254	57205	0	59000
TOTAL SUPPLY	57045	56789	56826	59574	4355	63007
Exports	218	220	218	181	0	200
USE Dom. Consumption	52254	54200	52254	55386	0	58000
Loss Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	52254	54200	52254	55386	0	58000
Ending Stocks	4572	2369	4355	4007	0	4807
TOTAL DISTRIBUTION	57044	56789	56827	59574	0	63007

CY 2002 was slightly worse than 2001 in terms of cotton imports and processing. It resulted in imports and consumption decreases of, respectively, about 5.5 percent and 8.7 percent. The adverse influence on the domestic cotton market resulted from the general deterioration of the Polish economy, high debts and lack of financial resources (mainly in processing industry). One complaint of the domestic industry was the continuing imports of very cheap yarns and textile products. They view this as unfair price competitiveness from Asia and Turkey. Poland will likely join the EU on May 1, 2004. There have been no indications from Polish cotton users that this will necessarily heavily impact the Polish textile industry.

The following estimate of utilization patterns is made on the basis of production data:

Production	CY 99	CY 00	CY 01	CY 02
Yarn, Cotton & cotton blend,				
- total, 1000 MT	67.3	49	42	41
- of total yarn: carded, 1000 MT	55.9	4.2	3.7	n.a.
Fabrics, cotton & cotton blend, excluding unfinished (cord, transporter)				
- total, square kilometers	234	298	284	216
Threads, cotton & cotton blend,				
- total, 1000 MT	0.9	1.1	1.6	1.8

Source: Polish Industry Yearbook 2002. The full 2002 production data are not yet available.

Trade

According to Poland's Main Statistical Office, cotton imports in CY 2002 were lower by 3 percent than in CY 2001 and represented 52,000 metric tons. Traditionally, imports consist of medium and long staple cotton. In addition, 1,238 tons of cotton waste were imported in CY 2002 compared with 1,189 tons in CY 2001. Cotton was primarily imported from Central Asian countries (Uzbekistan, Tajikistan, Kazakhstan). Varieties from Africa and Greece were imported in the similar quantities as in the previous years. Imports from the United States increased from 123 tons in CY 2001 up to 167 tons in CY 2002. Long staple cotton was imported from Uzbekistan, Tajikistan, Israel and Egypt.

In CY 2002, Poland re-exported 181 tons of cotton (253 tons in CY 2000). The major markets were Slovakia, Hungary, Germany, UAE, and Azerbajan.

Importing companies operate independently in Poland and usually pay in cash for cotton imports without using bank financing. Cotton from Central Asia accounts for 88 percent of total imports, while the share of cotton from other countries is 12 percent of total imports. Polish companies have reported problems in obtaining high-quality cotton on a consistent basis from Central Asia.

According to the Main Statistical Office (GUS), the average price for imported cotton in 2002 was $1,070/MT compared with $1,200/MT in 2001. The average price for the U.S. cotton was $1,089/MT compared with $1,050/MT in 2001.

According to Poland's main cotton association, the Gdynia Cotton Association, CY2003 will be better with higher consumption and imports, and will end with around 60,000 tons of imported cotton. Considering the increasing prices of Asian cotton, there is a chance that other varieties of cotton, including those from the U.S., will be purchased in bigger amounts than in previous years. The weakening dollar could also strengthen U.S. cotton prospects.

Imports of Cotton

Import Trade Matrix			
Country	Poland		
Commodity	Cotton		
Time period	Jan-Dec	Units:	MT
Imports for:	2001		2002
U.S.	123	U.S.	167
Others		Others	
Uzbekistan	30506	Uzbekistan	28925
Kazakhstan	7296	Tadjikistan	6865
Turkmenistan	2772	Kazakhstan	5284
Chad	2435	Chad	2634
Tadjikistan	2384	Azerbaijan	1322
Kyrgyzstan	1221	Kyrgyzstan	1155
Greece	993	Greece	1105
Brazil	830	Turkey	775
Azerbajan	666		
Mali	609		
Total for Others	49712		48065
Others not Listed	4207		3808
Grand Total	54042		52040

Exports of Cotton

Export Trade Matrix			
Country	Poland		
Commodity	Cotton		
Time period	Jan-Dec	Units:	MT
Exports for:	2001		2002
U.S.		U.S.	
Others		Others	
France	123	Slovakia	94
Yougoslavia	47	Hungary	34
UK	45	Germany	7
Germany	8	UAE	9
Hungary	5	Azerbaijan	1
Latvia	3		
Total for Others	231		145
Others not Listed	22		1
Grand Total	253		146